

# Consumer Alert

*Providing consumers with knowledge to make informed decisions*

**A Publication of the South Carolina Department of Consumer Affairs  
Brandolyn Thomas Pinkston, Administrator**

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## FRAUD ALERT

### NEW TELEMARKETING SCAM

Claiming to be from the “Do Not Call Registry,” fraudsters are requesting personal information, including social security numbers, in order to add your telephone number to a ‘Do Not Call List’. If you are already on this list, they will ask for your information in order to verify your previous registration. Do not fall for this scam!

A National “Do Not Call Registry” does exist, but the *consumer must initiate contact*. The registry helps discourage telemarketers from calling your number and is provided free of charge by the national government. Beware of any caller asking for your personal identification numbers, as they most probably are trying to access your accounts and personal records or are trying to steal your identity.

**To register with the  
National Do Not Call Registry, Call:  
1.888.382.1222, for TTY 1.866.290.4236,  
or Log Onto  
[WWW.DONOTCALL.GOV](http://WWW.DONOTCALL.GOV)**

*“Let us not look back in anger, nor forward in fear, but around in awareness.”*

**-James Thurber**

### Got Questions About a Business?

The South Carolina Department of Consumer Affairs' **Buyer Beware List** has answers. Check out the list at [http://www.state.sc.us/consumer/material/buyer\\_beware\\_list.pdf](http://www.state.sc.us/consumer/material/buyer_beware_list.pdf) in order to better protect yourself as a consumer of products and services in South Carolina. The list, which is updated monthly, itemizes the names and contact details of businesses and individuals, in and out of state, who have not responded to one or more consumer complaints. In order for a business to be taken off of the list, all of the business' outstanding complaints must be addressed in writing.

If you have questions about other businesses, or would like a copy of the list, contact the South Carolina Department of Consumer Affairs at [www.state.sc.us/consumer](http://www.state.sc.us/consumer), or at (803) 734-4200 or (800) 922-1594 (toll free in South Carolina).

### Hurricane Season is *ALMOST* Over, but South Carolinians Still Need to be Careful!

When the heavy winds, lashing rains and flooding finally subside, homeowners are often left with the enormous task repairing their home. This can be extremely stressful and intimidating, especially if one is not familiar with construction. If you do decide to hire a contractor, be careful! Con men and fraudsters use the vulnerable period after a disaster to prey on unsuspecting victims.

Get everything in writing. Period. The best way to protect yourself is with a written contract. Make sure the contractor puts down in the contract, the work to be done, item-by-item, the cost and the expected time it will take to complete the task. Be very cautious if contractors ask for a down payment larger than 25% of the final cost, *or* if they begin to ask for additional payments to buy supplies in the middle of the work.

Also, beware of contractors offering a free test for termites, radon, lead, and other scary items. Dishonest contractors will fool you into believing there is a problem with your home, by using props, such as bogus meters to show high radon levels, or sprinkled sawdust and termite bodies to show a termite infestation.



### Renters' Rights After a Hurricane

If your rented dwelling or apartment was badly damaged, to the point of it being no longer habitable, you are no longer legally bound to your rental contract agreement. Here are several options you should consider:

- Remove your belongings and write a letter to the landlord stating you will no longer live there due to the hurricane damage. Put in the letter that you would like to end the rental agreement within a week after your move. Also include where the landlord should forward your security deposit, as the landlord cannot keep your deposit under the circumstances.



## Preparing Teenagers for the REAL *Real World!*

LifeSmarts is an educational program that develops consumer and marketplace skills of teenagers, grade 9-12, in a fun, interactive, and competitive manner. Billed *the Ultimate Consumer Challenge* the program can be used as an activity for school classes, groups, clubs and community organizations. The significance of LifeSmarts is immeasurable, as it creates awareness in teenagers, enabling them to further educate their families, communities and colleagues for years to come.

LifeSmarts competitors compete online and in state matches, as well as at the national level, garnering meaningful consumer knowledge, access to information and awareness of consumer resources in a variety of subjects, including personal finance, health and safety, technology and consumer rights and responsibilities.

## Are you Life Smart? Take this short quiz to find out:

1. What federal agency regulates debt collection practices?
  - a. The Federal Trade Commission
  - b. The Better Business Bureau
  - c. The Department of Commerce
2. Prizes, 900 numbers, and offers for free trips are most commonly used to obtain:
  - a. Telephone numbers
  - b. Post Office box numbers
  - c. Credit card numbers
3. Chlorofluorocarbons, or CFCs, have been blamed for destroying the earth's protective ozone shield. Which of the following products contain CFCs?
  - a. Refrigerators
  - b. Computer monitors
  - c. Roll-on deodorants
4. When creditors examine your past credit history, as well as signs of stability, such as how long you have lived at your present address, they are considering your:
  - a. Collateral
  - b. Character
  - c. Capacity

**Answers to questions on page 8**

LifeSmarts teams consist of four players, an alternate and one or two adults, who serve as coaches. Although this year's competition has begun, interested parties can still participate until **February 2, 2005**. Teams that advance to the state level will compete in Columbia, SC on **March 4<sup>th</sup>**; state winners will have the opportunity to compete nationally in San Francisco, CA, from **April 16<sup>th</sup>-19<sup>th</sup>, 2005**.

**Would you like to know how to get involved in LifeSmarts?** Contact: Sherry G. King,

South Carolina's LifeSmarts'

State Coordinator

at 803-734-4195 or 1-800-922-1594

## Computer Security: Dangerous Email and Pop-Up Scams



If, and when you use the Internet, it is essential to exercise a great amount of skepticism. In other words, beware! The Internet is full of misleading links, emails and now pop-up ads that jeopardize your personal files, privacy and security. Computer hackers are creating new ways to scam consumers, often unwittingly. The Federal Trade Commission says Internet scammers go 'phishing' for unsuspecting people's financial information. What makes these scams so difficult to avoid is their seeming legitimacy.

In the past, emails infected with viruses were easy to detect – they often came from unknown email addresses, or contained unknown subject lines. Today, emails infected with viruses may come from what appears to be a legitimate source. Often, infected viruses attempt to trick you by using your name, or by stating a message that might be applicable to you.

Internet fraud can come in the form of hackers, spammers, viruses and spyware. Spyware, usually held in pop-up windows, are masked as legitimate, but actually are used to redirect you to another site, to sell you something, or worse, to secretly record your activities in order to access your personal information and banking details. Although many of these pop-ups appear to be from vendors you frequently use, or would use, they may be enemies in disguise.

Do not click on any pop-ups, even to close them. Instead, click on the pop-up's name window (on the bottom of the screen) with the right side of the mouse and hit close. The pop-up will now close without danger or harm. Also, do not disclose your credit card numbers, bank account details, Social Security number, passwords or other sensitive information over the Internet unless you are on a secured site. While not all sites need to be secured or encrypted, any site that requests personal information from Internet users must be secured.

### How to protect yourself and your computer:

- **Make sure site is secure before you share personal information.** In order to determine whether a site is secure, first check to see if the site's address starts with http://. If it does, it is *NOT* encrypted, or secure, but if it starts with https:// it *IS* encrypted. The 's' after the end of the http indicates a secure site.
- **The second way to determine whether a site is secure is to look for a small yellow padlock image on the bottom right-hand side of the site.** This indicates your information is safe, as the site has been encrypted.
- **Invest in several software security programs.** Experts suggest utilizing the following combination for the best protection
  - **A firewall program.**
  - **A strong antivirus program: It is important to keep this software updated, even if it costs additional money.**
  - **A spyware program.**
  - **A spam protector.**

*Continued on page 8*

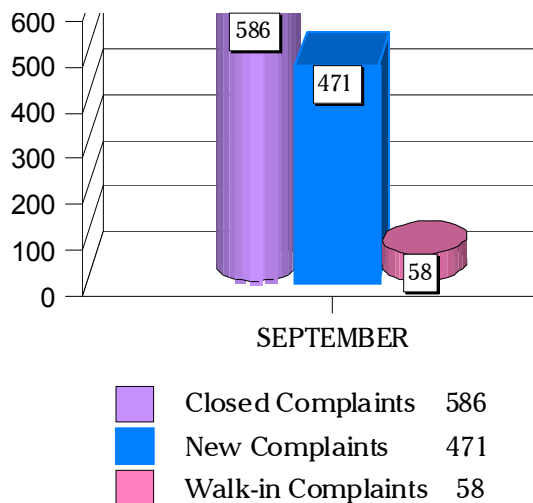
## SCDCA Progress Report

### *Consumer Services Division: September 2004*

#### Written Complaint Summary: Monthly & Yearly Comparison

September

2004	2003	2004	2003
Month	Month	FYTD	FYTD
471	499	1,608	1,476

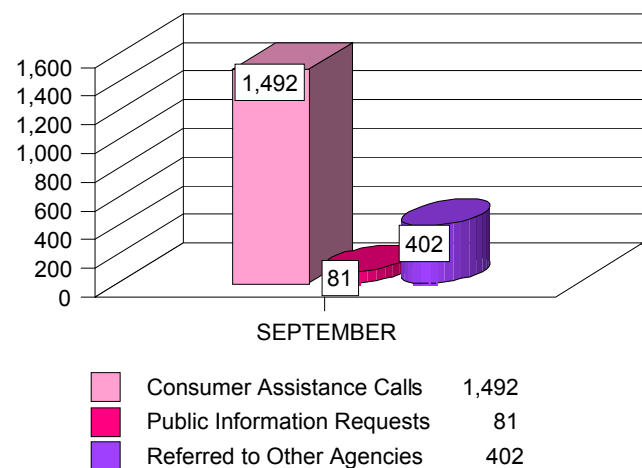


#### Telephone Complaint Summary:

Total Services Provided: September:	1,975
Total Services Provided: FYTD:	5,879
Total Telephone Calls: September:	6,683
Total Telephone Calls: FYTD:	21,392

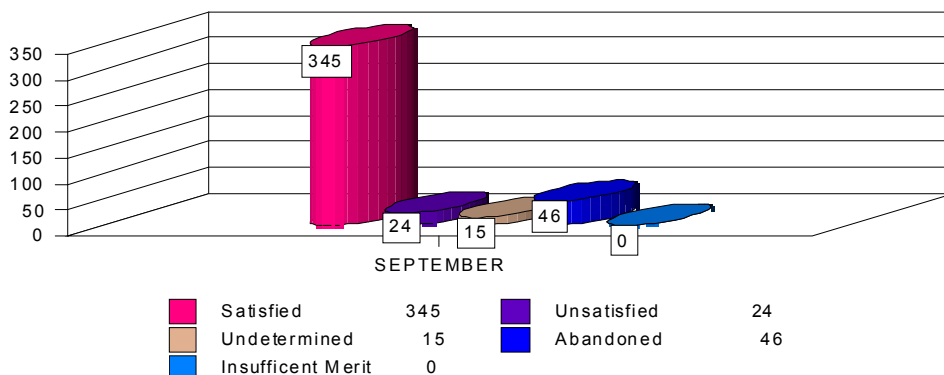
#### Reception Station Calls: FYTD \*15,604

\*Thru 09/04



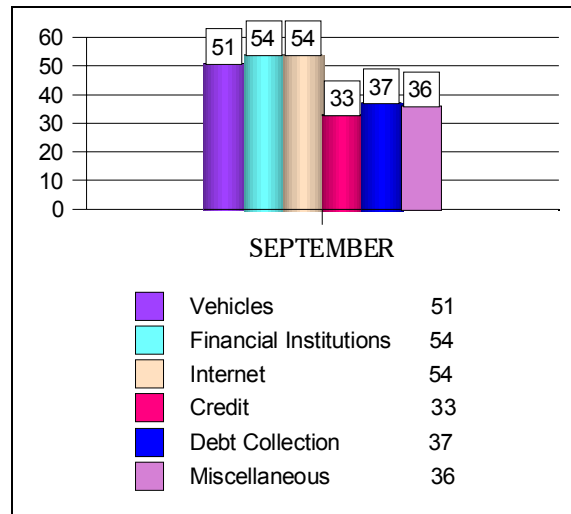
#### Complaints Closed:

September	% Totals	Status	#FYTD	%FYTD
345	80.2%	Satisfied	1,066	84.1%
24	5.6%	Unsatisfied	63	4.9%
15	3.5%	Undetermined	25	1.9%
46	10.7%	Abandoned	102	8.0%
0	.0%	Insufficient	11	.8%





## SCDCA Progress Report Continued:



### Amounts Recovered For Consumers Include

- \$9,199.00 Incorrect information removed from consumer's credit report.
- \$5,130.90 Disputed item on the consumer's credit report was cleared.
- \$5,000.00 Consumer received refund for incomplete repairs.
- \$2,637.00 Harassment of consumer for old debt ceased, and account closed.
- \$2,471.70 Consumer received delivery of goods after seeking refund for non-delivery.
- \$2,262.00 Consumer received settlement offer for damage caused during an oil change.

### Top Consumer Complaint Refund Categories

1. Credit - \$16,862.68
2. Vehicles - \$10,476.69
3. Internet - \$5,882.68
4. Contractors/builders - \$5,201
5. Mail Order - \$4,632.62
6. Debt Collection - \$4,157



*Above: Odometers Confiscated by Department Investigator Bill Kallowec*

### Total Amount Recovered for Consumers:

**September:**  
\$70,103.43

**FYTD:**  
\$158,990.34



## Employee Profile: *SCDCA Investigators*

*Left: Barbara Morris and Ken Middlebrooks*

Committed, determined and modest – these are the words that best describe the South Carolina Department of Consumer Affairs' investigators. After looking at a brief overview of their daily responsibilities, it is easy to gain admiration and respect for their work, but it is the dedication the investigators have to the consumers of

South Carolina that deserves attention and recognition. The department's one criminal and four regulatory compliance investigators have committed themselves to regulating and examining consumer complaints throughout the state for a combined total number of 65 years. Together, the five investigators have helped the department recover \$70,103.43 for consumers, bringing the year-to-date amount recovered to \$158,990.34.

Recalling a thank you letter sent to him by a sailor in 1983, Chief Criminal Investigator Bill Kadlowec said what he enjoys most is seeing consumers that have been taken advantage of getting restitution. The sailor, who periodically docked in Charleston, bought a car for \$1800, not knowing the car had been wrecked and reconstructed. Eventually the sailor was directed to Kadlowec, who was able to help the sailor keep the car and get his money back. Kadlowec said he still reads the letter every once in a while.

According to Charles Heyward, one of the department's four regulatory compliance investigators, the most rewarding aspect of his job is "helping the consumers and helping businesses that are having problems."

Heyward, who has been with the department for 17 years, says a lot has changed since he first started with the SCDCA. Originally Heyward focused primarily on complaints; today he said the investigators' main focus is on compliance reviews. Heyward listed credit laws, pawnbroker laws, physical fitness and rent-to-own as several of the main areas of focus.

"We do so much, it's not a nine to five job," Heyward stated.

Echoing his sentiments, Martha Guinyard said it is the challenge of the job that she enjoys. Guinyard, who has been with the department for five years, says it is important to "make sure consumers are aware" in order for them to "not be taken advantage of."

Citing the department's regulation of the physical fitness industry, she said, "If the consumer has a membership of three months, or over \$200, then a contract must be provided. If the consumer signs a contract and decides he/she does not want to continue to go the gym for the full term, and the reason does not fall under the Consumer's Right To Cancel, they are still obligated to pay. Consumer's should read all documents before signing."

Ken Middlebrooks said much of the fraud or infractions that the investigators encounter today is not new, but continues to be problematic. Middlebrooks added, as the public becomes more consumer savvy, the situations the investigators encounter will not happen as frequently.

Although it is difficult to achieve positive resolutions to some of the deficiencies and matters of noncompliance the investigators face, Deputy Chief Investigator Barbara Morris said during her 14 years with the department, her most rewarding experience has been helping and protecting the consumers of South Carolina, as well as assisting South Carolina businesses. "We try to give information to protect businesses. We provide services as well as pointers."

Heyward concluded, "I enjoy what I do. I continue to go [on assignment] hoping we can help consumers and protect them. Like law enforcement says, we serve and protect."



*Above: Martha Guinyard*

***Renters' Rights: Continued from page 2*** If the landlord does not return your deposit you can file suit. In situations like this, the courts can make the landlord pay up to three times the amount wrongfully withheld plus your attorney's fees. If the residence has been repaired during the rental contract, you can move back in and continue with the original tenant agreement. If you have moved while the residence was uninhabitable and would like to move back in after the repairs are finished, let the landlord know as soon as possible. Also, let the landlord know you are not responsible for rent until after the repairs are finished.

If you are able to only live in part of your residence due to hurricane damage, you are only responsible for part of your rent. It is important to negotiate the particulars of this agreement with your landlord. If you are able to continue living inside your home, but the outside areas (outside stairs, trees, garage) have been affected adversely by the hurricane, you may have the same rights as tenants whose homes were severely impaired.

If your residence was affected by the hurricane, and you were unable to come to a new rental agreement with your landlord, your landlord may take you to court for nonpayment of rent. Many people are hesitant to contact attorneys for matters of small claims, but the South Carolina Landlord Tenant Act protects tenants. The Act provides for awards of attorney fees to tenants if landlords engage in certain illegal or retaliatory conduct.

You may also take your landlord to court for failure to fulfill the duty of maintaining the home. In this situation, ask the judge to set a fair rental value. For more information contact SCDCA at 803.734.4200, toll free in South Carolina at 1.800.922.1594, or log onto [www.state.sc.us/consumer](http://www.state.sc.us/consumer).

***Computer Security: Continued from page 4*** Scam artists today use superior graphics, often copying well-known and respected companies layouts in order to lure computer users into the scam. By customizing your computer slightly and by setting your security settings to high, you will also be able to prevent the prevalence of fraudulent Internet schemes. Follow these steps to set your computer's security settings to high:

- **Click on your Explorer Tools menu and choose "Internet Options."**
- **Click on the "Security" tab. Click on the "Internet" icon. Pull the Security bar to "high" and click "OK."**

In conclusion, stay alert when you browse the Internet. Look for the HTTPS:// in the address line for secure sites. Do not click on any pop-ups or messages that appear on the screen – the risk that they are bogus is extremely high. In order to stay safe on the Web, Be Aware!

If you receive spam mail that is phishing for information, contact the SCDCA at [www.scdca@dca.state.sc.us](mailto:www.scdca@dca.state.sc.us) or (803) 734-4200 or (800) 922-1594 (toll free in S.C.).

**For More Information Concerning Consumer Alerts:**

Log onto [www.state.sc.us/consumer](http://www.state.sc.us/consumer)



## Fast Facts:

*The Department of Consumer Affairs Offers Additional Resources at its Satellite Offices.*

The offices will be open from 10 a.m. to 1 p.m. on the dates specified. If you are interested in volunteering at one of these locations, call Regenia Gatewood at 803.734.4191 or Sharon Jones at 803.732.4261.

LOCATION	ADDRESS	OCT. DATES	NOV. DATES
Gaffney, SC	Gaffney Public Library 300 East Rutledge Avenue	October 28	November 18
Laurens, SC	Old County Courthouse 200 Public Square	October 26	November 16
Summerville, SC	Dorchester County Council Chambers 500 North Main Street	October 22	November 19



# SCDCA Success!

In the past year, June 1, 2003 – June 30, 2004, the South Carolina Department of Consumer Affairs has recovered almost **ONE AND A HALF MILLION DOLLARS**. Since August 2004 the SCDCA has recovered \$88,886.91 for consumers, and the number is still growing!



If you have not been able to resolve a complaint with a business or company, you can call the Department of Consumer Affairs toll free at 1-800-922-1594 for assistance. After filling out a complaint form as completely as possible, including copies of all applicable materials, receipts, canceled checks, warranties etc., the Department will initiate contact with the business. Complaint forms can be mailed to you, picked up at the Department, downloaded from the Department website, or filed online at [www.state.sc.us/consumer/dcacf/dcapolicy.htm](http://www.state.sc.us/consumer/dcacf/dcapolicy.htm). In addition, if the Department is unable to help with your particular complaint, we can refer you to the appropriate agency.

**Consumer Alert:**

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